## Message Text

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ORIGIN COME-00

INFO OCT-01 IO-10 ISO-00 EB-07 STR-01 L-02 FEA-01 AGR-05

CEA-01 CIAE-00 DODE-00 FRB-03 H-01 INR-07 INT-05

LAB-04 NSAE-00 NSC-05 PA-01 AID-05 CIEP-01 SS-15

TAR-01 TRSE-00 USIA-06 PRS-01 SP-02 OMB-01 AF-06

ARA-06 EA-06 EUR-12 NEA-09 /125 R

DRAFTED BY COM:TNAD:OTP:IEPR:DFELLMAN APPROVED BY EB/OCA/REP/JBRABENS COM:TNAD:FMONTGOMERY STR:AGARLAND EB:TA:RMEYER

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R 212147Z FEB 75 FM SECSTATE WASHDC TO USMISSION GENEVA

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E.O. 11652:N/A

TAGS: ETRD:GATT:SAG

SUBJECT: GATT ARTICLE XXVIII NEGOTIATIONS - SOUTH AFRICA

REF: A. THERON/SPRUCE LETTER, JAN. 23,1975; B. GARLAND/ LUBBE LETTER, JAN. 14, 1975; C. GENEVA 442, 1/27/75; D. STATE 252294, 11/15/74.

1. IN LIGHT REFTEL C WE HAVE AGAIN REVIEWED SAG ARTICLE XXVIII PROPOSAL FOR SETTLEMENT OF REMOVAL DUTY FREE BINDING ON EX 84.15.90, EVAPORATORS AND CONDENSERS FOR REFRIGERATORS, AND ARE STILL FIRMLY CONVINCED THAT SAG OFFER REMOVE 3 PERCENT TARIFF ON ITEM 84.34.30 WOULD NOT BE SUFFICIENTLY TRADE CREATIVE TO MAKE UP LIKELY LOSS OF MOST, IF NOT ALL, U.S. TRADE AS RESULT OF ACTION ON 84.15,90. ACCORDINGLY, LIMITED OFFICIAL USE

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AND IN INTEREST OF REACHING PROMPT SETTLEMENT OF THIS

NEGOTIATION, YOU SHOULD REITERATE TO SAG MISSION THAT SAG GIVE SERIOUS CONSIDERATION TO OUR REQUEST FOR REDUCTION FROM 15 PERCENT TO 7 1/2 PERCENT ON ITEM 84.21.10, WATER SPRINKLERS AND SPRAYERS, OR ALTERNATE OFFER OF COMPARABLE VALUE.

2. IN THIS CONNECTION, AND AS POSTSCRIPT TO RECENT CORRESPONDENCE (REFS A AND B), SAG OFFICIALS SHOULD UNDERSTAND THAT IN U.S. VIEW PRINCIPAL QUESTION IN EACH CASE IS WHETHER COMPENSATORY OFFER IS ABLE GENERATE SUFFICIENT

ADDITIONAL TRADE TO FULLY OFFSET ANTICIPATED TRADE LOSS STEMMING FROM WITHDRAWAL. FURTHER, GENERATIVE CAPACITY OF ANY PARTICULAR ITEM IS FUNCTION OF BOTH TRADE COVERAGE AND DUTY CUT, AND OUR SELECTION REFLECTS A TRADEOFF AMONG THESE FACTORS. IN CURRENT CASE, WE UNDERSTAND COSMETIC PROBLEM POSED BY REQUEST ON ITEM WHOSE PRESENT TRADE IS MUCH GREATER THAN TRADE OF WITHDRAWAL ITEM. HOWEVER, WE HAVE SO FAR BEEN UNABLE FIND ALTERNATE ITEM WHERE TRADE LEVELS ARE MORE COMPARABLE WHICH, IN ORDER PROVIDE SUFFICIENT TRADE GENERATION, WOULD NOT NECESSITATE REQUEST FOR REDUCTION IN DUTY WHICH SAG MIGHT FIND EQUALLY DIFFICULT TO ACCEPT. KISSINGER

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## Message Attributes

Automatic Decaptioning: X Capture Date: 01 JAN 1994 Channel Indicators: n/a

**Current Classification: UNCLASSIFIED** 

Concepts: CUSTOMS DUTIES, TARIFF NEGOTIATIONS, ARTICLE XXVIII

Control Number: n/a Copy: SINGLE Draft Date: 21 FEB 1975 Decaption Date: 01 JAN 1960 Decaption Note: Disposition Action: RELEASED Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: greeneet
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975STATE039810

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Document Source: CORE
Document Unique ID: 00
Drafter: TNAD:OTP:IEPR:DFELLMAN

Enclosure: n/a Executive Order: N/A Errors: N/A Film Number: D750063-1097

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Handling Restrictions: n/a

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Original Handling Restrictions: n/a Original Previous Classification: n/a Original Previous Handling Restrictions: n/a

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Previous Classification: LIMITED OFFICIAL USE

Previous Handling Restrictions: n/a Reference: 75 JA23, 75 975
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Review Authority: greeneet

Review Comment: n/a Review Content Flags: Review Date: 25 JUN 2003

**Review Event:** 

Review Exemptions: n/a
Review History: RELEASED <25 JUN 2003 by KelleyW0>; APPROVED <03 NOV 2003 by greeneet>

**Review Markings:** 

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JÚL 2006

**Review Media Identifier:** Review Referrals: n/a Review Release Date: n/a Review Release Event: n/a **Review Transfer Date:** Review Withdrawn Fields: n/a

Secure: OPEN Status: NATIVE

Subject: GATT ARTICLE XXVIII NEGOTIATIONS - SOUTH AFRICA TAGS: ETRD, SF, GATT To: GENEVA

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